GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:5398
ANSWERED ON:05.05.2008
ABUSE OF FINANCIAL POWERS IN MILITARY ACQUISITIONS
Gaikwad Shri Eknath Mahadeo;Renge Patil Shri Tukaram Ganpatrao;Thummar Shri Virjibhai;Yaskhi Shri Madhu Goud

Will the Minister of DEFENCE be pleased to state:

(a) whether as per the latest CAG report financial powers have allegedly been abused in the military acquisitions as reported in the Hindustan Times, dated March 15, 2008;

(b) if so, the details of such cases pointed out by the CAG;

(c) the reaction of the Government thereto; and

(d) the corrective steps taken by the Government in this regard?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

(a) to (d): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA UNSTARRED QUESTION NO.5398 FOR ANSWER ON 5.5.2008

Reports Nos. 4 & 5 of the Comptroller and Auditor General of India for the year ended March 2007 presented to Parliament on 14th March 2008 contain, inter alia, Paras relating to acquisition of VIP Boeing Business Jets, acquisition of Landing Platform Dock, avoidable loss due to acceptance of defective ammunition, upgradation of an aircraft and misuse of special financial powers delegated to Army Commanders. The extant instructions provide for submission of Action Taken Notes on the audit observations to the Ministry of Finance for onward transmission to the Lok Sabha Secretariat.